

Just Retirement finds annuity customers active online

- **63% shopping online**
- **An amazing 83% using computers for research**
- **But reluctant to have their details online**

Just Retirement, the specialist provider of financial solutions for those at and in retirement, today reveals the results of its second annual survey of annuity customers and provides some interesting insights into retirees' use of technology.

The survey covers the views of almost 12,000 annuity customers, who have benefited from an increased income thanks to an enhanced annuity.

The main findings of the survey are:

- 74% have direct access to a computer (8,559)
- Of those that have access to a computer in some way:
 - 63% use the internet to shop
 - 82% use the internet for research
 - 51% use the internet to review financial statements
 - Only 16% use social networking sites
 - 82% use e-mail
- Interestingly, despite the high level of access to computers, only 35% of respondents (4,029) would like to see their pension details online and 33% would like to be able to change their details online

Nigel Barlow, Head of Research at Just Retirement, comments:

"We are encouraged by the results of our survey as it shows many of those recently retired are actively keeping up with technological developments and using them to improve their quality of life. The proportion willing to use the internet for research is a particularly bright spot as there is a wealth of information available to help them through the maze of options at retirement and to help them keep in touch. This result most definitely indicates that if providers make information available in a clear and concise manner, they can improve the experience and confidence of their older customers. For those at retirement, this can make a huge difference: many are very confused about what to do with their pension funds and have little idea where to turn".

The lower number of people wishing to access their pension details online, or to change their details, indicated there is still some way to go to improve confidence in security online and to promote the benefits it brings.

Despite many of them using e-mail, 63% are happy to be contacted by post while 34% are happy to be contacted by telephone and 23% by e-mail. When contacting the company themselves, telephone is the preferred method, with 61% being happy to use this method compared to 36% by post and 22% by e-mail.

David Harrhy, IT Security Manager at Just Retirement, says:

“Telephone is often the simplest way to sort out queries, but easy on-line access to personal details such as those regarding pensions can help people keep up to date at times often more convenient to themselves.

The internet is a powerful tool for people, but all too often the news is full of stories regarding online fraud, identity theft, viruses etc. But the good news is that by taking a few simple precautions you can protect yourself and for a great source of advice and information visit www.getsafeonline.org.

“Get Safe Online is a joint initiative between HM Government, the Serious Organised Crime Agency (SOCA) and private sector sponsors from the worlds of technology, retail and finance to provide unbiased, user-friendly advice about online safety for consumers and smaller businesses.”

Using the internet to maintain bank accounts and financial details can save a lot of time, effort and possibly even money but it is vital to feel secure when doing this. Just Retirement will continue to provide high quality support and access however people want to contact us.”

ENDS

Contact

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Notes to Editors

Just Retirement (Holdings) plc was founded in 2004 and listed on the Alternative Investment Market (AIM) in December 2006. In November 2009, Just Retirement was acquired for £228m by Avalon Acquisitions Limited, a company backed by funds advised by Permira. The Group provides two products to those at or in retirement; enhanced annuities and equity release mortgages.

Enhanced Annuities

Annuities are contracts offered by the Group to people at retirement (annuitants) under which the Group undertakes to make a series of payments in the future in return for the immediate payment of a lump sum to the Group by the annuitant. This lump sum is provided by the annuitant’s pension fund. The level of future payments is set according to the rates of return available within the capital markets and the expected longevity of the annuitant. In 2009, the total value of the annuity market in the UK was £10.8bn (source: Association of British Insurers “ABI”).

Enhanced annuities are offered to people at retirement that may not live as long as average due to lifestyle (smoking, for example) or illness. Given the impact of these factors on longevity, it is possible for providers such as Just Retirement to offer “enhanced” annuity rates to those qualifying. In 2009, the total annual value of the enhanced annuity market in the UK was £1.8bn.

Just Retirement does not provide pension fund management. As such, it can only offer annuity contracts to those utilising the Open Market Option (OMO). OMO allows pension fund holders to “shop around” for an annuity rather than take that provided by the incumbent pension fund provider. At the end of 2009, the total value of annuities bought during the year using the OMO was £5.4bn.(source: Association of British Insurers “ABI”)

Equity Release Mortgages

Equity release mortgages are advances made to homeowners in or at retirement. They fall into two main types: lifetime and reversion. Just Retirement only offers lifetime mortgages. This allows the homeowner to borrow a certain amount of capital against the value of their house. Although this advance carries a rate of interest, this is capitalised over the life of the mortgage. The loan, together with the accumulated interest, is repaid at the end of the mortgage.

The equity release market is monitored by the industry body, Safe Home Income Plans (SHIP) and advice within the market is regulated by the FSA. SHIP recently announced that the total value of the UK equity release market in 2009 was approximately £950m.